

TESTIMONY SUBMITTED TO THE COMMERCE COMMITTEE

*Joan McDonald, Commissioner
Department of Economic and Community Development*

February 19, 2009

SENATE BILL 880 AN ACT CONCERNING TRADE WITH AFRICA.

The Department of Economic and Community Development (DECD) offers the following comments in **opposition** to *Senate Bill 880 AN ACT CONCERNING TRADE WITH AFRICA*.

The mission of the Department of Economic and Community Development (DECD) is to facilitate all international trade activities within the State of Connecticut. This includes recruiting foreign direct investment (FDI) into Connecticut, export assistance/trade promotion and performing protocol duties for visiting members of the international diplomatic corps.

DECD has taken a **global** approach to international trade promotion. This is done by first and foremost, educating Connecticut's manufacturing and service firms on the logistics and intricacies of the export process. Throughout the year, we provide counseling, seminars, workshops, etc. to train Connecticut companies on how to become "export-ready" and sell products or services to any country in the world. Second, we serve as clearinghouse of information in order to keep companies abreast of global developments so that they may achieve their international business objectives.

To better assist Connecticut companies, DECD frequently works with the U.S. Department of Commerce (USDOC) local office in Middletown. Connecticut utilizes the USDOC's vast network of international trade specialists and commercial officers to help companies go global. DECD does not maintain paid staff offices or agents in foreign countries. Rather, DECD works through the USDOC worldwide network of over 160 offices in 90 countries. Through the USDOC network, we have established direct contacts at no cost to the State of Connecticut. This has been a very successful model which has been copied by many other states and Connecticut remains a national leader in international exports.

Additionally, Connecticut is a member state in the Eastern Trade Council, an organization of the ten Northeastern states (Connecticut, Massachusetts, Rhode Island, New Hampshire, Maine, Vermont, New York, New Jersey, Delaware and Pennsylvania) that works to promote trade opportunities and regional collaboration. The ten state group cooperates to coordinate regional participation at trade missions and trade shows. In fact,

the Eastern Trade Council organized a November 2008 trade mission to South Africa, and is planning a Spring 2009 trade mission to Saudi Arabia.

Through our work with the USDOC and the Eastern Trade Council, Connecticut has achieved healthy and successful trade numbers through a model that is cost-effective to the Connecticut taxpayer. Additionally we believe that there should be a general global approach to International economic development. Connecticut has produced great results in trade and FDI with its limited resources.

Therefore, while this proposal may be well intended staff in DECD's International Division would have to divert time from assisting companies in order to compile information as to what they have been doing over the past several years to promote trade and assist companies in Africa. We feel staff time is better spent with clients. Additionally, we do not believe that paying someone to write, print, and disseminate a report containing information specific to one region is the most productive use of state funds, especially given the what information is currently available in the agency's annual report.

Thank you for consideration of the department's comments on this proposal.